

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF MRC PERMIAN
COMPANY FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. 26007

MRC'S PRE-HEARING STATEMENT

MRC Permian Company ("MRC" or "Applicant"), the applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

MRC Permian Company
("MRC")

ATTORNEY

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APPLICANT'S STATEMENT OF THE CASE

Under **Case No. 26007**, MRC seeks an order pooling the uncommitted interest owners in a standard 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation (Hobbs Channel; Bone Spring [31705]) underlying the E/2 E/2 of Sections 11 and 14, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico.

MRC seeks to initially dedicate the spacing unit to the proposed **Monika 1411 Com 134H** well, to be horizontally drilled from a surface location in the S/2 SE/4 of Section 14, with a first take point in the SE/4 SE/4 (Unit P) of Section 14, and a last take point in the NE/4 NE/4

(Unit A) of Section 11.

The completed interval for the well will meet the statewide setbacks for oil wells. MRC has sought but been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing units. The pooling of uncommitted interest owners in the proposed spacing units will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

APPLICANT’S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Addison Costley, Landman	Self-Affirmed Statement	Approx. 6
Joshua Burrus, Geologist	Self-Affirmed Statement	Approx. 3

PROCEDURAL MATTERS

MRC intends to present this case by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP



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Oil Conservation Division
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QUESTIONS

Action 564868

QUESTIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 564868
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>